



## Montana Economic Developers Association

118 E. Seventh St.; Suite 2A Anaconda, MT 59711

ph: 406.563.5259 fx: 406.563.5476

February 4, 2007

Sen. Jim Elliott, Chair  
Senate Taxation Committee  
State Capitol  
PO Box 200400  
Helena, MT 59620-0400

**Re: SB220 Tax Law Administration**

Dear Chairman Elliott,

The Montana Economic Developers Association (MEDA) represents over 200 professionals who work for local economic development organizations across the State of Montana. Most of our members work for local economic development organizations that are supported by private sector businesses and local governmental entities and work on a daily basis to strengthen Montana's economy.

MEDA's membership supports SB 220 believing that increasing the business equipment tax exemption threshold from \$20,000 to \$150,000 and providing a tax break to many of Montana's small businesses would help to insure that Montana's economy continues to thrive. Much of Montana's economic growth in the last several years has been primarily fueled by small business expansion. Thirteen to fourteen thousand small businesses would, it is estimated, benefit from this tax break providing for even more growth.

Montana's economy is largely dependent on the success of small businesses. An increase in the business equipment tax threshold would provide these small businesses with additional resources to devote to business expansion and retention, and help to insure that Montana's economy continues to thrive.

MEDA's membership encourages you to approve of this important measure as a way of supporting the continued growth and development of Montana's economy. Thank you for your consideration.

Sincerely,

Rick Edwards, President

Cc: MEDA Board of Directors

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